## STATE OF ARIZONA FILED

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1	STATE OF ARIZONA DEPT OF INS	SURANCE
2	DEPARTMENT OF INSURANCE	
3	In the Matter of )	
4	Docket No. 04A-118-INS DESERT CROWN INSURANCE COMPANY (NAIC No. 38407)  CONSENT ORDER	
5	Respondent.	
6	Teespondent:	
7	The State of Arizona, Department of Insurance (the "Department"), has received evidence that	
8	Desert Crown Insurance Company ("Respondent") violated provisions of Title 20, Arizona Revised	
9	Statutes. Respondent wishes to resolve this matter without the commencement of formal proceedings,	
10	and admits the following Findings of Fact are true and consents to the entry of the following	
11	Conclusions of Law and Order.	
12	FINDINGS OF FACT	
13	Respondent Desert Crown Insurance Company ("Respondent") is domiciled in Arizona	
14	and presently holds a certificate of authority issued by the Arizona Department of Insurance	
15	("Department") to operate as a mechanical reimbursement reinsurer pursuant to A.R.S. Title 20, Chapter	
16	4, Article 12.	
17	2. For the period ending December 31, 2003, Respondent failed to meet its minimum	
18	surplus as required by A.R.S. § 20-1096.03.	
19	3. Respondent consents to the suspension of its Arizona certificate of authorit	ty.
20	CONCLUSIONS OF LAW	
21	4. The Director has jurisdiction over this matter.	
22	5. Grounds exist for the Director to suspend or revoke Respondent's certificate of authority	
23	pursuant to A.R.S. § 20-1096.08(4).	

## **ORDER**

IT IS ORDERED suspending the certificate of authority held by Respondent Desert Crown Insurance Company, and prohibiting the issuance of new and renewal reinsurance, effective immediately.

DATED AND EFFECTIVE this 13th day of July, 2004.

CHRISTINA URIAS Director of Insurance

## CONSENT TO ORDER

- 1. Respondent has reviewed the foregoing Findings of Fact, Conclusions of Law and Order.
- Respondent admits the jurisdiction of the Director of Insurance, State of Arizona, and admits the foregoing Findings of Fact and consents to the entry of the foregoing Conclusions of Law and Order.
- 3. Respondent is aware of its right to notice and a hearing at which it may be represented by counsel, present evidence and cross-examine witnesses. Respondent irrevocably waives its right to such notice and hearing and to any court appeals relating to this Consent Order.
- 4. Respondent states that no promise of any kind or nature whatsoever, except as expressly contained in this Consent Order was made to it to induce it to enter into this Consent Order and that it has entered into this Consent Order voluntarily.

. . .

	5. Respondent acknowledges that the acceptance of this Consent Order by the Director is
	solely to settle this matter against it and does not preclude any other agency, officer or subdivision of
	this State from instituting civil or criminal proceedings as may be appropriate now or in the future.
	DESERT CROWN INSURANCE COMPANY
	Date  Desert Aron Insurance Company  By: San Leteuson  Its: SEC. / TRES.
	COPY of the foregoing mailed/hand-delivered this <u>l4th</u> day of <u>July</u> , 2004, to:
	Fred Anthony Ferguson President Desert Crown Insurance Company 1095 W. El Camino Real Sunnyvale, CA 94087
	Philip T. Paris 2929 North 44 <sup>th</sup> Street, Suite 120 Phoenix, AZ 85018
	Gerrie Marks, Deputy Director Steve Ferguson, Assistant Director Deloris Williamson, Assistant Director Mary Butterfield, Assistant Director Paul Hogan, Market Conduct Chief Examiner Kurt Regner, Chief Financial Analyst Leslie Hess, Legal Analyst, Financial Affairs Arizona Department of Insurance 2910 N. 44th Street, Second Floor Phoenix, Arizona 85018
	Curvey Burton